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## FEDERAL COMMUNICATIONS COMMISSION FEDERAL COMMUNICATIONS COMMISSION Before the

OFFICE OF THE SECRETARY

In the Matter of ) 800 Data Base Access Tariffs ) CC Docket No. 93-129 and the 800 Service Management System Tariff

## Rebuttal of Century Telephone of Ohio, Inc.

Century Telephone of Ohio, Inc. (Century), by its attorney and consultant, hereby files this rebuttal to MCI Telecommunications Corporation's (MCI's) comments on the September 20, 1993 Century Direct Case. MCI's comments do not contain any specific allegations that would warrant continuation of the Commission's investigation into the 800 data base service tariff filed by Century. Accordingly, the Commission should terminate its investigation, finding that the Century 800 Data Base Tariff3 is just and reasonable in accordance with the Communications Act of

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See In the Matter of: 800 Data Base Access Tariffs and the 800 Service Management System Tariff, Comments [of MCI Telecommunications Corporation], CC Docket 93-129, filed April 15, 1994 (MCI Comments).

See Direct Case of Century Telephone of Ohio, Inc., CC Docket No. 93-129, filed September 20, 1993 (Century Direct Case) at 2 n.4 citing Century Telephone of Ohio, Inc, Transmittal No. 6, Tariff F.C.C. No. 1, filed March 5, 1993 (Century 800 Data Base Tariff). As used herein, the term "800 data base service" refers to the service elements -- query charges and vertical features -filed within the Century 800 Data Base Tariff.

Century filed the Century 800 Data Base Tariff on March 5, 1993 in response to the Commission's directives contained in the January 29, 1993 decision concerning the filing of such tariffs. See In the Matter of Provision of Access for 800 Service, Second Report and Order, CC Docket No. 86-10, FCC 93-53, released January 29, 1993 (Second Report and Order); see also In the Matter of Provision of Access for 800 Service, Memorandum Opinion and Order, CC Docket No. 86-10, DA 93-202, released February 22, 1993 at para. 2.

1934, as amended (Communications Act), and the applicable Commission decisions, Rules, and Regulations. In support thereof, the following is shown:

## I. MCI has Failed to Demonstrate that the 800 Data Base Service Rates Proposed by Century are Unjust and Unreasonable

MCI makes no specific claims pertaining to the rates in the Century 800 Data Base Tariff, but only generally avers that "[t]he direct cases, in general, appear designed to obfuscate the LECs' costs and ratemaking methods, rather than to justify their rates." In addition, MCI erroneously asserts that rate of return carriers which have based their rates on other carriers' rates "should be required to provide refunds or reduce rates for the prior period as well as lower their rates prospectively." Finally, MCI questions the level of unbillable queries included in the rate development calculations. As shown below, MCI presents no evidence that any of these concerns pertain to Century. Therefore, the MCI comments should be dismissed.

First in response to MCI's general objection, Century explicitly justified its rates. Century clearly stated in its direct case that initially it would charge subscribing Interexchange Carriers (IXCs) only those rates that Century incurred from the service provided by Ameritech and Century's third

MCI Comments at 2.

<sup>&</sup>lt;sup>5</sup> Id. at 4.

<sup>6 &</sup>lt;u>Id</u>. at 46.

party transport provider. Century also noted that the Commission recognized permitting LECs, such as Century, "'to use an average or surrogate method or rule that relied on [National Exchange Carrier Association, Inc.] data would probably be economically more efficient than requiring detailed studies and would still produce reasonable results.'" Since MCI did not address or make arguments against Century's chosen interim rate design methodology or the cited Commission decision, MCI's arguments should be dismissed.

MCI's arguments concerning retroactive rate adjustments also are inappropriate. Century made clear in its direct case that Century would pass through to its 800 data base service customers any reduction in the Ameritech 800 data base service rates charged to Century upon the completion of the Commission's investigation concerning those rates. Accordingly, MCI's concerns regarding this issue have been addressed.

Finally, in response to MCI's concerns over "unbillable queries," Century has already stated that "when an 800 call is made, the expenses (third party charges) are incurred and passed through to the IXC data base access customer. Accordingly, MCI's concerns regarding "unbillable queries" are inapplicable to

See Century Direct Case at 9-11.

<sup>8 &</sup>lt;u>Id</u>. at 10 <u>citing</u> Second Report and Order, <u>supra</u> n. 3, at para. 37 (emphasis added).

See id. at 10 n.24.

See MCI Comments at 46-47.

<sup>11</sup> Century Direct Case at 11.

Century. To the extent that Century incurs charges, those charges will be passed to the affected IXCs. Clearly, this direct "flow-through" is the epitome of cost-causation principles; therefore, further inquiry by the Commission is unnecessary.

In summary, MCI's unsupported positions should be rejected. Since the rates proposed in the Century 800 Data Base Tariff are consistent with both cost causation principles and the Commission's established 800 data base decisions, they should be found to be just and reasonable. Accordingly, further inquiry into the rates included in the Century 800 Data Base Tariff is not warranted.

# II. Substantive Evidence Presented by the Century Alleviates <u>Concerns Regarding "Double Billing" of 800 Data Base Queries</u>

MCI asserts a general allegation regarding "double billing" of 800 data base queries against those LECs that have not yet deployed Signalling System No. 7 technology (SS7). MCI's concerns, however, have been resolved previously by the substantive evidence presented in the Century Direct Case.

Contrary to MCI's allegations, Century has demonstrated that:

(1) meet point billing principles associated with jointly provided access service are applicable in the SS7 environment; 13 (2) the Commission unequivocally decided that LECs, such as Century, should have a variety of options with regard to the provision of 800 data

MCI Comments at 48.

See Century Direct Case at 7-8.

base services;<sup>14</sup> and (3) the National Exchange Carrier Association, Inc. (NECA) Tariff F.C.C. No. 4 has been updated identifying Century as the proper billing entity for 800 data base service within its area.<sup>15</sup> Moreover, MCI has chosen not to comment on the NECA Tariff F.C.C. No. 4 structure.

Apparently, MCI ignored the positions and evidence discussed above; therefore, the Commission, should dismiss MCI's arguments which are contradicted by the record. Accordingly, Century submits that the Commission should find that any concerns regarding "double billing" have been resolved under existing practices, precedents and tariff structures.

### III. MCI's Remaining Arguments have been Addressed

MCI makes several general claims regarding the terms and conditions contained in the tariffs that were filed. The only specific allegations, however, that pertain to the Century 800 Data Base Tariff's terms and conditions were to Area of Service (AOS) routing. The only specific allegations are to Area of Service (AOS)

MCI states that, although Century will offer Local Access Transport Area (LATA) routing, there "is little benefit to AOS routing on the LATA level unless multiple carrier termination is

See id. at 7 n.18 citing In the Matter of Provision of Access for 800 Service, Report and Order, CC Docket No. 86-10, 4 FCC Rcd 2824, 2829, n. 90 (1989).

<sup>&</sup>lt;sup>15</sup> Id. at 7, 8-9.

See MCI Comments at 49-61.

<sup>&</sup>lt;sup>17</sup> <u>See id</u>. at 55 n.171.

part of the service."<sup>18</sup> Apparently, MCI views the Century 800 Data Base Tariff as ambiguous because MCI states that the affected Local Exchange Carriers should "better articulate" whether AOS routing is a basic or vertical feature.<sup>19</sup>

The Century 800 Data Base Tariff, the record, and the Commission's prior order, however, leave nothing unclear with regard to AOS routing. The Commission already has articulated what it considers to be the "basic" AOS routing query function -- "the routing of 800 calls by Local Exchange Carriers ... to different interexchange carriers ... based on the local access transport area (LATA) in which traffic originates..." This definition governs the tariff and no further inquiry is necessary.

Moreover, it would appear that MCI already has answered its own request. MCI specifically states that it had clarified its request to the Commission's Common Carrier Bureau regarding AOS routing, and "seeks geographic aggregations 'down to the LATA level, i.e., routing by state of origination, by originating NPA, by originating NPA-NXX, or by LATA....' "21 MCI has clearly overlooked the fact that the Century 800 Data Base Tariff already

<sup>18 &</sup>lt;u>Id</u>. at 55.

<sup>&</sup>lt;sup>19</sup> Id.

In the Matter of Provision of Access for 800 Service, Order, CC Docket No. 86-10, 8 FCC Rcd 1423 (1993) at para. 1; see also In the Matter of 800 Data Base Access Tariffs and the 800 Service Management System Tariff, Order Designating Issues for Investigation, CC Docket No. 93-129, DA 93-930, released July 19, 1993 at para. 1 n.1.

 $<sup>^{21}</sup>$  MCI Comments at 51 <u>citing MCI April 1, 1993 Ex Parte</u> Letter at 2 (emphasis added).

provides the terms and conditions offering the AOS routing service it seeks. As cited above, MCI has acknowledged that its desires could be met in a variety of alternative forms including AOS routing by LATA -- which is offered by the Century 800 Data Base Tariff. Accordingly, MCI's concerns have already been addressed, and its arguments should be dismissed with respect to the Century 800 Data Base Tariff.

#### IV. Conclusion

MCI has not presented any new argument nor evidence that would warrant further investigation and suspension of the Century 800 Data Base Tariff. The Century 800 Data Base Tariff's rates, terms and conditions are just and reasonable under the Communications Act, the Commission's policies, and applicable Commission decisions and Rules. Accordingly, Century again requests that the Commission terminate this investigation in its entirety with respect to the Century 800 Data Base Tariff.

Respectfully submitted,

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Date: May 5, 1994

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#### Certificate of Service

I, Thomas J. Moorman, do hereby certify that on this 5th day of May, 1994, a copy of the foregoing "Rebuttal of Century Telephone of Ohio, Inc.," was mailed first class, postage prepaid to the individuals listed below.

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